

ER-8-5492

The Honorable Richard B. Russell
Chairman
Committee on Armed Services
U. S. House of Representatives
Washington 25, D. C.

Dear Mr. Chairman:

You will undoubtedly recall our discussions of the problem of the pay scale of the senior officers of the Central Intelligence Agency, which has been a matter of great concern to me for some time. As I have indicated to you and to other members of the subcommittees of the Armed Services and Appropriations Committees on CIA matters, it has become increasingly difficult to obtain and to retain the highly qualified personnel which are necessary to carry out the important assignments given this Agency under law and under National Security Council directives. In the present world situation, with which you are so familiar, this is becoming more and more difficult.

As you know, it has been legally permissible for me to use the powers granted me under the Central Intelligence Agency Act of 1949 (P. L. 110, 81st Congress) to effect adjustment of the salary scale. I have refrained from doing so, however, in the absence of new government-wide legislation in the Executive Pay field, and I know that you have approved this course of action.

The Executive Pay Bill has now become law (P. L. 854, 84th Congress), and it adjusts the salaries of many senior positions and categories of positions throughout the government, including those of the Director and Deputy Director of Central Intelligence. Although the Executive Pay Act specifically covers comparable positions in other departments and agencies, we had not proposed the inclusion of other senior CIA officials in the bill for security reasons with which you are familiar. Under these circumstances, and in view of the immediate

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effective date of the Executive Pay Act, I have consulted with the White House and with the Bureau of the Budget, with the view to putting into effect a pay increase which would affect about twenty five of the senior officers of the Agency in headquarters and about ten in the field. The total annual cost of the increases presently contemplated will be roughly \$75,000 per annum. This we can readily absorb in our existing budget.

In the light of the pay increases authorized for comparable positions in the Departments of State and of Defense, I feel that this is a modest allocation to the Central Intelligence Agency, and it will have a most important and beneficial morale effect. While I have felt that in this matter I had your sympathetic understanding, I wanted you to know of the lines along which I am thinking and of the action I have proposed to the White House and the Budget Bureau.

I shall of course report in full to you and your subcommittee on this matter when I have the pleasure of meeting with you next year.

Sincerely yours,

Allen W. Dulles
Director

AWD/NSP:tm (10 Aug 56)

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